

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III 1650 Arch Street Philadelphia, Pennsylvania 19103-2029

December 20, 2007

Ms. Janice Bell
National Environmental Policy Act Document Manager
U.S. Department of Energy
National Energy Technology Laboratory
626 Cochrans Mill Road
P.O. Box 10940
Pittsburgh, Pennsylvania 15236-0940

RE: Final Environmental Impact Statement (FEIS) for the Gilberton Coal-to-Clean Fuels and Power Project. DOE/EIS-0357

Dear Ms. Bell:

In accordance with the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act (CAA), the U.S. Environmental Protection Agency, Region III (EPA) has reviewed the Final Environmental Impact Statement (FEIS) for the above referenced project. The FEIS was prepared to assess the potential impacts that would result from a proposed Department of Energy (DOE) action to provide cost-shared funding for the construction and operation of facilities near Gilberton, Pennsylvania, which have been proposed by WMPI PTY, LLC. The project includes facilities to produce electricity, steam and liquid fuel from anthracite coal waste (culm). The project was selected by DOE under the President's Clean Coal Power Initiative (CCPI) to demonstrate the integration of coal waste gasification and the Fisher-Tropsh (F-T) synthesis of liquid hydrocarbon fuels at commercial scale.

The President's CCPI establishes an innovative technology demonstration program that fosters more efficient Clean Coal Technologies for use in new and existing electric power generating facilities in the United States. The Initiative provides for cost-share partnerships with industry to demonstrate the viability of Clean Coal Technologies to achieve commercial success. The CCPI describes Clean Coal Technology as a new generation energy process that sharply reduces air emissions and other pollutants from coal-burning power plants. The CCPI establishes priorities to increase domestic energy supply, protect the environment, ensure a comprehensive energy delivery system and enhance the national energy security. The CCPI is managed by DOE's Office of Fossil Energy and implemented by the National Energy Technology Laboratory.

Under DOE's CCPI implementation strategy, demonstration projects must "raise the bar" over existing technologies in terms of efficiency, environmental performance and economic viability. DOE has stated that technologies emerging from the program will help meet the environmental objectives of FutureGen and the Hydrogen Initiative. DOE also has stated that the CCPI will

help to develop commercial technologies that will attain near-zero emissions, produce clean fuels and have carbon dioxide (CO<sub>2</sub>) management capabilities (DOE, Program Facts: Clean Coal Power Initiative (12/06), www.fossil.energy.gov/programs/powersystems/cleancoal/ccpi/Prog052.pdf.) The Gilberton Coal-to-Clean Fuels and Power Project was selected under the first round of project proposals under the CCPI.

Based on our review of the FEIS, EPA believes that the Gilberton project proposal helps to advance several of the principles of the CCPI. For example, it would significantly reduce the emissions of certain CAA criteria air pollutants, including sulfur dioxide and carbon monoxide compared with a conventional coal-fired power facility. Also, it would allow for the recovery and reuse of waste coal piles which have degraded the landscape for many years, and aid in the revegetation of areas covered under surface mining reclamation efforts.

These positive benefits notwithstanding, the Gilberton proposal would nonetheless cause a sizeable projected increase in  $CO_2$  emissions over conventional coal-fired power generating facilities.  $CO_2$  is a greenhouse gas associated with global climate change, which is a concern of this Agency. In addition, as stated in the Supplement to the Draft Environmental Impact Statement, a portion of the  $CO_2$  emission was anticipated to be sold as a byproduct but now is no longer a viable option for the foreseeable future, thereby increasing the total expected  $CO_2$  emissions. Although the CCPI envisions technologies that reduce greenhouse gas emissions, including  $CO_2$  management capabilities, the proposed project does not suggest any measures to capture, sequester or otherwise manage these  $CO_2$  emissions. The FEIS states that large-scale sequestration is not feasible at this time.

EPA believes that there may be additional opportunities for the project to more fully achieve the goal of the President's Clean Coal Initiative, to raise the technology bar over existing technologies by exploring opportunities to incorporate CO<sub>2</sub> capture-ready measures into the project design. Several research studies have demonstrated the cost effectiveness of incorporating carbon capture-ready design into new construction coal plants (<a href="http://sequestration.mit.edu/index.html">http://sequestration.mit.edu/index.html</a>). EPA recommends that these measures be given strong consideration in the Gilberton project.

EPA appreciates the opportunity to comment on the Gilberton FEIS. Please contact Mr. Kevin Magerr at (215) 814-5724 if you have any questions regarding our comments.

Sincerely,

William Arguto NEPA Team Leader

<sup>&</sup>lt;sup>1</sup> Since the issuance of the April 2, 2007 Supreme Court opinion in Massachusetts, et al. v. EPA, 549 U.S. (2007), EPA has begun to develop regulations to address greenhouse gas emissions from motor vehicles and fuels under the direction of the President's May 14, 2007 Executive Order and relevant Clean Air Act authorities. The Agency continues to evaluate the potential effects of the Court's decision with respect to addressing emissions of greenhouse gases under other provisions of the Clean Air Act. Thus, this NEPA letter regarding an EIS for an individual project does not reflect, and should not be construed as reflecting, the type of judgment that might form the basis for a positive or negative finding under any provision of the Clean Air Act.